THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) The information is as under:

Year	Target receipt for the year (Rs. in crores)	Actual receipts (Rs. in Crores)
1996-97	5,000	380
1997-98	4,800	910
1998-99	5,000	5,371
1999-00	10,000	1,829
2000-01	10,000	1,869

(b) Government prepares annual disinvestment programme every year. However, disinvestment depends on various factors like market conditions, financial performance of the companies under consideration, terms and conditions of sale, interest of bidders, time taken for due diligence by the interested parties etc. Besides, Government does not disinvest in distress to meet any targets whatsoever. Under the circumstances, it has not always been possible to achieve the targets for disinvestment.

(c) The Tenth Five Year Plan has not been finalized and, therefore, no disinvestment targets for the Plan period have been set as on date.

(d) In view of (c) above, does not arise.

Slow speed of disinvestment

†778. SHRI BALKAVI BAIRAGI: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether it is a fact that the pace of disinvestment is very tardy due to shortage of experienced specialists in his Department; and

†Original notice of the Question was received in Hindi.

(b) if so, the details of steps taken by Government to achieve the targets fixed for the disinvestment?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) No, Sir.

(b) Does not arise.

CAG audit report on sale of MFIL

779. SHRI JIBON ROY:
SHRI K. RAHMAN KHAN:

Will the Minister of DISINVESTMENT be pleased to state:

(a) whether CAG preliminary audit report on the sale of Modern Food Industries Limited to Hindustan Lever Ltd. has revealed that company's real worth was undervalued by ANZ Grindlays who were appointed by Government as their Global Advisor, as reported in the Times of India, dated 29th June, 2001;

(b) if so, the details thereof; and

(c) the details of valuation of the assets of the Modern Food Industries as done by Global Advisor and the buyer Hindustan Lever Ltd.?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) and (b) CAG in its preliminary report has mentioned that the Global Advisor did not value the plant and machinery leading to lower valuation of MFIL under Asset Valuation method.

(c) The plant and machinery being used by Modern Food Industries (India) Ltd. (MFIL) was mostly of 60's and 70' vintage and is obsolete and therefore, assignment of any replacement value to such plant and machinery would be imaginary rather than real. Therefore, the only option was to consider their book value of Rs. 8.64 crores and there was no need for getting the old vintage type machinery assessed by any valuer. Two points further corroborate the precarious position of MFIL (1) the then management (prior to